



General Assembly

January Session, 2019

***Raised Bill No. 898***

LCO No. 4597



Referred to Committee on HUMAN SERVICES

Introduced by:  
(HS)

***AN ACT ESTABLISHING THE HISPANIC AND FELLOW  
COMMUNITIES OF COLOR NONPROFIT STABILIZATION AND  
GROWTH FUND.***

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1       Section 1. (NEW) (*Effective from passage*) (a) For purposes of this  
2       section, (1) "eligible community-based organization" means an  
3       organization that (A) has tax-exempt status under Section 501(c)(3) of  
4       the Internal Revenue Code, (B) has been an incorporated nonprofit  
5       organization for not less than three years, (C) is based in the state and  
6       is a direct provider of human services, (D) serves a population that is  
7       comprised of fifty-one per cent or more Hispanic persons or non-  
8       Hispanic communities of color, (E) (i) is led by a chief executive officer  
9       who is Hispanic, African-American or Asian Pacific-American, or (ii) is  
10      governed by a board with a majority of members who are Hispanic,  
11      African-American or Asian Pacific-American, and (F) has an annual  
12      operating budget of at least one hundred fifty thousand dollars; (2)  
13      "fellow communities of color" means communities comprised of  
14      persons whose racial or ethnic background is nonwhite Hispanic,  
15      African-American or Asian Pacific-American; (3) "culturally

16 competent" means the ability to effectively deliver services that meet  
17 the social, cultural, and linguistic needs of the recipient; and (4)  
18 "language accessible" means services delivered in the primary  
19 language of the recipient.

20 (b) There is established a fund to be known as the "Hispanic and  
21 Fellow Communities of Color Nonprofit Stabilization and Growth  
22 Fund". The fund, within available appropriations, shall contain (1)  
23 moneys from the General Fund traditionally appropriated to the  
24 Department of Social Services for human resources development  
25 contracts serving Hispanic persons and communities of color, and (2)  
26 any moneys required by law to be deposited into the fund. The fund  
27 shall be used to build the capacity of eligible community-based  
28 organizations to provide services by helping such organizations  
29 improve operational efficiencies through performance-based metrics  
30 and the adoption of strategies for long-term fiscal sustainability. Any  
31 balance remaining in the fund at the end of any fiscal year shall be  
32 carried forward in the fund for the fiscal year next succeeding. The  
33 fund may be used to make grants-in-aid authorized under subsections  
34 (e) and (f) of this section and for expenses related to the administration  
35 of the fund authorized under subsections (c) and (d) of this section.

36 (c) The Commissioner of Social Services may contract with a  
37 nonprofit organization to administer the fund, provided such  
38 organization has (1) not less than fifteen years of experience  
39 coordinating advocacy, service and outreach efforts for Hispanic  
40 charitable organizations that support Hispanic persons, and (2) a  
41 proven track record of establishing networks with non-Hispanic  
42 organizations that provide services to fellow communities of color. The  
43 commissioner may give preference to an organization with experience  
44 successfully administering a similar fund.

45 (d) In contracting with a nonprofit organization to administer the  
46 fund, the commissioner shall require such organization to: (1) Establish  
47 a competitive procurement process through annual requests for  
48 proposals to eligible community-based organizations, (2) establish a

49 results-based contract evaluation system, that includes goals that  
50 eligible community-based organizations shall meet in order to be  
51 considered for contract renewal, and (3) meet goals established by the  
52 commissioner for successful administration of the fund, including, but  
53 not limited to, annual reporting to the commissioner on fund  
54 expenditures and complying with limitations set by the commissioner  
55 on administrative expenses. Requests for proposals issued by the  
56 nonprofit organization administering the fund shall state that  
57 preference shall be given to eligible community-based organizations  
58 that (A) satisfy both conditions described in subparagraph (E) of  
59 subdivision (1) of subsection (a) of this section and have annual  
60 budgets not exceeding one million dollars, and (B) offer culturally  
61 competent, language accessible services.

62 (e) The fund shall be used to provide grants to eligible community-  
63 based organizations to support capacity building, training and  
64 technical assistance opportunities in the following areas: (1) Financial  
65 management, including, but not limited to, financial planning, budget  
66 development, fiscal monitoring and cash flow analysis, (2) board  
67 development, including, but not limited to, establishing board  
68 committees, a fund-raising board and conducting professional board  
69 meetings, (3) fund development, including, but not limited to, gift  
70 solicitation and event planning, (4) nonprofit management and  
71 leadership training, (5) information technology, (6) collaborations and  
72 merger planning, and (7) results-oriented outcome training, including  
73 development of progress metrics and performance tracking tools.

74 (f) Allocation panels of at least seven members that include  
75 representatives from the Department of Social Services, the nonprofit  
76 organization chosen by the commissioner to administer the fund, and  
77 at least two members of the communities to be served by the grant  
78 proposal shall determine which community-based organizations are  
79 eligible for a grant. The executive director of the legislative  
80 Commission on Equity and Opportunity may name a representative  
81 from the commission to any allocation panel. The nonprofit  
82 organization chosen to administer the fund shall forward information

83 on community-based organizations that are eligible for a grant to the  
 84 Commissioner of Social Services, who shall have final approval over  
 85 the awarding of a grant contract to an eligible community-based  
 86 organization. Eligible community-based organizations awarded grants  
 87 from the fund shall, within the grant period, (1) submit progress  
 88 reports as required to the commissioner, (2) assign a person in a  
 89 position of leadership at the community-based organization and at  
 90 least two staff members to annually attend three seminars on  
 91 organizational topics presented by the nonprofit organization  
 92 administering the fund, and (3) agree to site visits as scheduled by the  
 93 organization administering the fund.

94 (g) Not later than September 1, 2020, the Commissioner of Social  
 95 Services shall submit a report in accordance with the provisions of  
 96 section 11-4a to the joint standing committees of the General Assembly  
 97 having cognizance of matters relating to human services and  
 98 appropriations and the budgets of state agencies on (1) the number of  
 99 community-based organizations awarded grant contracts under the  
 100 fund, (2) whether and how the fund has improved the capacity of  
 101 community-based organizations to meet needs, (3) the performance of  
 102 the nonprofit organization administering the fund, and (4) a  
 103 recommendation on whether the fund should continue and any  
 104 appropriations that may be necessary for the fund.

105 (h) Nothing in this section shall be construed as infringing upon any  
 106 contract in effect on the effective date of this section between the  
 107 Department of Social Services and a community-based organization  
 108 providing services to Hispanic persons and fellow communities of  
 109 color.

110 Sec. 2. (*Effective from passage*) The sum of one million five hundred  
 111 thousand dollars is appropriated to the Hispanic and Fellow  
 112 Communities of Color Nonprofit Stabilization and Growth Fund  
 113 established pursuant to section 1 of this act from the General Fund, for  
 114 the fiscal years ending June 30, 2020, and June 30, 2021, for the  
 115 purposes described in section 1 of this act.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>from passage</i>	New section
Sec. 2	<i>from passage</i>	New section

***Statement of Purpose:***

To redirect state funds previously distributed by the Department of Social Services to a new fund managed by a nonprofit organization that will disburse grants in a competitive procurement process to community organizations that serve Hispanic persons and communities of color.

*[Proposed deletions are enclosed in brackets. Proposed additions are indicated by underline, except that when the entire text of a bill or resolution or a section of a bill or resolution is new, it is not underlined.]*